IDRC, Canada

1287. SHRI C.O. POULOSE: Will the Minster of FINANCE be pleased to state:

(a) whether it is a fact that International Development Research Centre (IDRC), Canada office in India was established in 1983, under a Memorandum of Understanding with the Ministry of Finance, Government of India and the nodal ministry for interaction with IDRC is the Department of Economic Affairs, Government of India; and

(b) if so, the text of the above mentioned Memorandum of Understanding?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) International Development Research Centre (IDRC), Canada had established its regional office in New Delhi under a Letter of Exchange dated 2nd June, 1983 between IDRC and Department of Economic Affairs for the purpose of coordinating its activities within India and South Asia region and its head office in Canada. Department of Economic Affairs is acting as a nodal department for IDRC's programme in India.

(b) A copy of the Letter of Exchange dated 2nd June, 1983 is given below:

Mr. Robert Auger,
Secretary and
General Counsel,
International Development
Research Centre,

Ottawa,

Canada,

Dear Sir,

I have the honour to acknowledge receipt of your letter dated June 2, 1983 which reads as follows:

> "Shri S. Sunder,
> Joint Secretary,
> Department of Economic Affairs,
> Ministry of Finance,
> Government of India,
> North Block,
> New Delhi-110001.

Dear Sir,

The IDRC is an entity created and funded by the Parliament of Canada for the purpose of initiating, encouraging, supporting and conducting research into the problems of the developing regions of the world and into the means for applying and adapting scientific, technical and other knowledge to the economic and social advancement of these regions. Its policies are set and its activities directed by a Board of Governors drawn from various nationalities.

The IDRC wishes to establish a regional office in India for the South Asian region which it believes will permit the enhancement of the cooperation between the Centre and research institutions in the region and will lead, in the judgement of the Centre, to increased benefits for the peoples of the region.

In consequance of discussions between the IDRC and officials of the Government of India it has been agreed that the IDRC may establish a regional office located in New Delhi. The Government of India, in accordance with prevailing rules and regulations, will extend for the effective carrying out of the Centre's functions facilities including:

(i) to exempt the Centre from all direct taxation on its assets and income provided that such exemptions shall not extend to levies which are in fact no more than charged for public utilities services and other administrative services.

(ii) to exempt the Centre from customs duties on equipment and other articles imported by the Centre for its official use in accordance with the terms and conditions laid down in the Department of Revenue Ad hoc exemption order No. 97 dated May 19, 1983;

(iii) to authorise the Centre to operate such bank accounts in foreign currency and undertake such foreign exchange operations as may be required in order to enable the Centre to carry out satisfactorily its international development research activities in compliance with the procedures established under the exchange control laws of India;

(iv) to allow non-Indian national staff and experts employed or retained under contract by the Centre to avail of the usual concessions in respect of their personal and household effects imported into India in accordance with the Baggage Rules and Transfer of Residence Rules as applicable from time to time; and

(v) to grant remission from income taxation to non-Indian nationals, who are engaged as members of the Centre staff or are experts employed or retained under contract by the Centre.

I undertake on behalf of the Centre to ensure that the Government of India is promptly informed of the assignment to the South Asia Regional Office of all staff members and contract experts. The Centre in addition will ensure that such persons will not engage in activities within India not related to the purposes of the Centre.

It is our understanding that the focal point within the Government of India for all discussions relating to IDRC activities within India shall be the Ministry of Finance.

May I, by these presents, acknowledge the cooperation of you and your officials and express my confidence that the establishment of this regional office will be a further significant step in the enrichment of the relationship between India and Canada.

Yours respectfully,

Sd/-

Robert Auger

Seretary and

General Counsel."

I have the honour to confirm that this letter correctly sets out the understanding reached between the Government of India and IDRC.

Sd/-

(S. Sundar)

Joint Secretary
Deptt. of Economic Affairs
Ministry of Finance

Outstanding Central loan against States

1288. SHRI PRAFULL GORADIA: Will the Minister of FINANCE be pleased to state:

(a) the amount of Central loan outstanding against each State as on 31st March, 1999;

(b) what was the amount of loans released to each State during 1998-99; and

(c) the loan and interest paid back by each State to the Centre during 1998-99, State-wise?